



NEWS

Federal Communications Commission
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This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action.
See MCI v. FCC, 515 F.2d 385 (D.C. Cir. 1974).

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FCC PROPOSES CREATION OF MOBILITY FUND TO CLOSE GAP IN MOBILE WIRELESS ACCESS

Washington, D.C. – Today the Federal Communications Commission took another step in its overall reform of the Universal Service Fund (USF) by proposing the creation of a new Mobility Fund. This Notice of Proposed Rulemaking (NPRM), consistent with a key recommendation of the National Broadband Plan, will provide one-time support to accelerate our nation's ongoing efforts to close gaps in mobile wireless service.

Mobile wireless providers have expanded and upgraded their networks so that third generation, or "3G," services are now widely available. But despite providers' efforts, millions of Americans still live, work, and travel in areas where these advanced services are unavailable. The Mobility Fund proposed in this NPRM will help improve coverage in these areas for current-generation or better mobile wireless service, which may include 4G mobile broadband service.

The NPRM proposes to support the Mobility Fund using a portion of USF funding voluntarily relinquished by Verizon Wireless and Sprint. Those funds had been helping support service in areas that, at least in some cases, were being served by other mobile carriers. Under the Mobility Fund, a portion of these funds will instead be distributed on a one-time basis using a market-based mechanism to target consumers in areas without advanced mobile services, ensuring that America gets the most bang for the USF buck.

The NPRM proposes:

- To use \$100 million to \$300 million from the USF to create the Mobility Fund.
- To identify the areas unserved by 3G mobile wireless services.
- To use a reverse auction – in which the potential providers of services in identified areas without 3G service compete for support from the Mobility Fund by proposing the lowest amount of USF support they would require to serve areas that are currently unserved – to determine which providers get support, which specific geographic areas will receive support, and at what levels.

The NPRM also seeks comment on:

- Whether to make support available to any unserved area in the nation or to target support by making it available in a limited set of unserved areas.
- Minimum performance and coverage requirements that should be established for the service to be supported by the Mobility Fund.

Action by the Commission October 14, 2010, by Notice of Proposed Rulemaking (FCC 10-182).
Chairman Genachowski, Commissioners Copps, McDowell, Clyburn, and Baker. Separate statements
issued by Chairman Genachowski, Commissioners Copps, McDowell, Clyburn, and Baker.

Docket No. 10-208.

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